

**Amendments to the Specification**

Please replace paragraph [0032] with the following amended paragraph:

[0032] In operation, the pointing device 25 may be remote from the encoded surface 23 during pointing. In one example, the device 25 is at least 15 centimeters (6 inches) from the encoded surface 23. In another example, the device 25 is at least 90 centimeters (3 feet) from the encoded surface 23. The device 25 will operate at relatively large distances, as long as the collimated light beam C can reach the encoded surface 23 and sufficient scattered light can reach the detector 31. Such a device 25 is particularly useful for off-desk navigation, large displays, presentations, collaborations, and home-based screens that ~~may be extend~~ may extend beyond 3 meters (10 feet) across.